Assistance to financial institutions

†652. SHRI RAM JETHMALANI:
SHRI RAJIV RANJAN SINGH "LALAN":

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that Government have extended financial assistance to various financial institutions of the country in case of financial crunch faced by them;

(b) if so, the names of the institutions to which financial assistance have been given during 1999-2000,2000-2001 and 2001 -2002 alongwith the amount given; and

(c) the reasons for giving such assistance in each matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANT GANGARAM GEETE): (a) to (c) During the last three years Government have helped IFCI, and IIBI, to overcome their problems relating to capital adequacy etc. as given below:

IFCI

Rs. 400 crores to IFCI by way of investment in twenty years convertible debentures in a cash neutral manner during 2001 -2002.

IIBI

Rs. 100 crores were subscribed by the Government in IIBI's 20 years preference Shares in a budget neutral basis in 2000-01.

Effectiveness of FEMA, 2002

653. DR. KARAN SINGH:
DR.AKHILESHDAS:

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Foreign Exchange Management Act (FEMA) 2002, which came into force to replace Foreign Exchange Regulation Act, 1973 falls far too short to be effective to curb evils of rampant corruption, hawala

†Original notice of the question was received in Hindi.